



PUBLIC NOTICE

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**PROCEDURES FOR SUBMITTING FINANCIAL INFORMATION REQUIRED FOR THE
DISBURSEMENT OF INCENTIVE PAYMENTS AND REIMBURSEMENT PAYMENTS
AFTER THE INCENTIVE AUCTION CLOSES**

GN Docket No. 12-268
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TABLE OF CONTENTS

Heading	Paragraph #
I. INTRODUCTION	1
II. REVERSE AUCTION INCENTIVE PAYMENTS.....	4
A. Background	4
B. Procedure for Providing Reverse Auction Winning Bidder's Payment Instructions to the Commission	12
1. FCC Form 1875	16
2. CORES Incentive Auction Financial Module	29
a. Minimum Software Requirements	30
b. Accessing the CORES Incentive Auction Financial Module	34
c. Entering Bank Account Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts Component	39
d. Viewing Bank Account Information and Payment Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts and Auction Payments Components	44
C. Updating Bank Account Information	48
D. Processing Payments	52
1. Timing	52
2. Complete Payments	53
3. Sequencing, if Necessary	54
4. Public Notice of Ready to Pay	55
III. REIMBURSEMENT PAYMENTS FOR ELIGIBLE RELOCATED ENTITIES AND MVPDS	59
A. Background	59
B. Reimbursement Process Overview	62
1. Allocations	63
C. Procedure for Providing Eligible Entity's Payment Instructions to the Commission	66
1. FCC Form 1876	70
2. CORES Incentive Auction Financial Module	79

a. Minimum Software Requirements	80
b. Accessing the CORES Incentive Auction Financial Module	84
c. Entering Bank Account Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts Component	89
d. Viewing Bank Account Information and Payment Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts and Auction Payments Components	94
D. Updating Bank Account Information	98
E. Processing Reimbursement Forms and Payments	102
1. Timing	102
2. Tracking Reimbursement Payments	103
3. Effects of Ownership Changes	105
IV. ADDITIONAL INFORMATION	109

I. INTRODUCTION

1. This Public Notice provides instructions to full power and Class A broadcasters and multichannel video programming distributors (MVPDs) who anticipate receiving incentive and/or reimbursement payment(s) following the incentive auction (collectively, Payment Applicants).

2. These instructions describe essential steps that Payment Applicants must take before receiving incentive payments based on winning reverse auction bids or payments from the Television Broadcaster Relocation Fund (the Fund) for expenses eligible for reimbursement. This Public Notice describes and explains FCC Forms 1875 and 1876, the forms that Payment Applicants must use to provide the Commission with directions for making payments. These forms enable Payment Applicants to certify their agreement with and acknowledgement of required payment terms, to identify the individual(s) authorized to give the Commission instructions regarding payments, and to identify the financial institution and account into which payments should be made.

3. *Updating Payment Applicant Information in the Updated Commission Registration System (CORES).* Prior to providing instructions for payments, each Payment Applicant must have a representative log in to the FCC User Registration System (<https://apps2.fcc.gov/fccUserReg/pages/login.htm>) and set up a username and password to create an FCC Username Account. Detailed instructions on how to register for an FCC Username Account can be found at: https://apps.fcc.gov/cores/html/Register_New_Account.htm.¹ In addition, an FCC Username Account must be associated to a Payment Applicant's FRN. Detailed instructions on how to link an existing FRN to an FCC Username Account can be found at: https://apps.fcc.gov/cores/html/Associate_Username_to_FRN.htm. The updated CORES also requires each FRN to have at least one FRN Administrator. A CORES FRN Administrator has the ability to manage which FCC Username Accounts have access to the FRN (i.e., grant or deny FRN association requests for an FCC Username Account).² Detailed instructions on how to approve or reject an FRN Association Request can be found at: https://apps.fcc.gov/cores/html/Approve_FRN_Association_Request.htm.

¹ As an additional resource, the Updated Commission Registration System (CORES II) Webinar explains, among other things, how to set up an FCC Username Account. The webinar is available under the "Education" tab on the Auction 1001 web page (<https://www.fcc.gov/auctions/1001>).

² See Sections II.B.2 (CORES Incentive Auction Financial Module), III.C.2 (CORES Incentive Auction Financial Module).

For additional information, please contact the FCC User Registration System and CORES Help Desk at (202) 418-4120 or CORESHelpDesk@fcc.gov.

II. REVERSE AUCTION INCENTIVE PAYMENTS

A. Background

4. Each broadcast licensee that successfully bid to relinquish some or all of its spectrum usage rights in the reverse auction (a winning bidder) will receive a share of auction proceeds (an incentive payment) based on its winning bid. Before the Commission can direct disbursement of incentive payments, a winning bidder must certify its agreement with and acknowledgement of specified payment terms and provide necessary information regarding the account to which the incentive payment should be made. In addition, if the winning bidder directs that a payment be made to an account owned by a third party, the party owning the account also must certify its agreement with and acknowledgement of specified terms. Subsection B below describes the required agreements, acknowledgements, and account information and instructs winning bidders on how to submit to the Commission the information required to receive an incentive payment. Subsection C addresses the process for making any changes to the instructions that might become necessary before incentive payments are made. Following these instructions will facilitate the disbursement of an incentive payment to a winning bidder at the earliest possible time. Subsection D discusses the Commission's process when payments are ready to be made.

5. Each incentive payment will be disbursed pursuant to the winning bidder's instructions³ and consistent with three clarifications the Wireless Telecommunications Bureau provided prior to the auction.⁴ First, an incentive payment for a particular winning bid will be disbursed only into a single account. Any division of such payments is the sole responsibility of the winning bidder or the party to which the payment is disbursed pursuant to the winning bidder's instructions, not the Commission. Second, incentive payments will be made to a third party but only if the winning bidder so instructs on its incentive payment FCC Form 1875.

6. Third, winning bidders and any third party payees are required to agree to and acknowledge specified terms with respect to each payment. In particular, the *Payment Clarification Public Notice* noted that each winning bidder and third party payee (if any) will be required (1) to agree to indemnify and hold harmless the United States from any and all liability arising from the disbursement of incentive payments, (2) to acknowledge and agree that the payments are subject to offset pursuant to applicable law for debts (owed to the Commission or the United States) by either the winning bidder or the third party payee designated by the winning bidder, and (3) to acknowledge and agree that payments will not be made to (or for the benefit of) any winning bidder or other payee appearing on the U.S. Treasury's "Do Not Pay" portal.⁵ These agreements and acknowledgements are set forth in the payment instruction form described in Section II.B.1.

7. Particular offsets related to the winning bidder and its license follow from the acknowledgements and certifications made by the winning bidder when applying to participate in the reverse auction. With respect to licensee debts, each reverse auction applicant certified in its application

³ The Commission stated in the *Incentive Auction R&O* that it will "follow winning reverse auction bidders' payment instructions as set forth on their respective standardized incentive payment forms to the extent permitted by law." See *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd 6567, 6787, para. 537 n.1529 (2014) (*Incentive Auction R&O*).

⁴ See *Wireless Telecommunications Bureau Clarifies Procedure For Disbursing Reverse Auction Incentive Payments*, Public Notice, 30 FCC Rcd 13613 (WTB 2015) (*Payment Clarification Public Notice*).

⁵ See *id.* at 13614.

to participate in the reverse auction that it (1) acknowledges its liability to the Commission for any debt owed to the Commission that the applicant incurred before, or that it may incur after, the reverse auction application deadline, including all accrued interest, penalties and costs, and that the debt will continue to accrue interest, penalties and costs until paid; and (2) agrees that the Commission may pay all debt owed by the applicant to the Commission from the applicant's share of auction proceeds.⁶

8. Each reverse auction applicant also certified its agreement that if an appeal of, or request for waiver or compromise of, any debt owed by the applicant to the Commission is pending at the conclusion of the incentive auction, the Commission may withhold so much of the applicant's share of the auction proceeds as is necessary to pay the debt in full, including accrued interest, penalties and costs, until issuance of a final non-appealable decision regarding the debt or waiver or compromise request, and may then pay the debt from the applicant's withheld share.⁷ Consistent with the Commission's obligations under the Debt Collection Improvement Act of 1996,⁸ we will also withhold a portion of an incentive payment if at the time an incentive payment is disbursed, a winning bidder has a debt to the Commission but has not then filed an appeal or request to waive or compromise the debt. In all cases where a debt is owed, the Commission will withhold an amount that is sufficient to pay the debt in full, including interest, penalties and costs that have accrued or will accrue if an appeal or request to waive compromise is timely filed.

9. In addition, applicants made additional certifications concerning withholdings based on their individual circumstances. If there was a possibility that the auction might result in the applicant not holding any other broadcast licenses, then the applicant also certified its agreement that (1) pursuant to the Commission's announced procedures for resolving such matters in connection with this auction, the Commission may withhold a portion of the share of auction proceeds for the station, if any, pending final determination of any FCC liabilities with respect to the station and such portion may be applied towards the satisfaction of such liabilities;⁹ and (2) the applicant remains subject to the Commission's jurisdiction and authority to impose enforcement or other FCC liabilities with respect to the station, notwithstanding the surrender of its license for the station.¹⁰ Likewise, if the applicant indicated that a license identified in its application was subject: (1) to a non-final revocation order; or (2) had expired or been cancelled and is subject to a non-final license cancellation order; or was for a Class A television station that was subject to a non-final downgrade order, then the applicant certified its agreement with the Commission's announced procedures to withhold all of any incentive payment for the station pending the final outcome of the

⁶ See *Application Procedures for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016; Technical Formulas for Competitive Bidding*, Public Notice, 30 FCC Rcd 11034, 11041, para. 12 (WTB 2015) (*Auction 1000 Application Procedures Public Notice*); *Application Instructions for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016; Instructions for FCC Form 177 Application to Participate in the Reverse Auction (Auction 1001)*, Public Notice, 30 FCC Rcd 13090, 13106-07, para. 81 (WTB 2015) (*Auction 1000 Application Instructions Public Notice*). The waiver of the Commission's red light rule premised on these acknowledgements and agreements in no way altered the Commission's right or obligation to collect any debt owed to the Commission by an eligible broadcast licensee by any means available to the Commission, including set off, referral of debt to the U.S. Treasury for collection and/or red lighting other applications or requests for benefits filed by an eligible broadcast licensee. See 47 CFR § 1.1910.

⁷ See *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11041, para. 13; *Auction 1000 Application Instructions Public Notice*, 30 FCC Rcd at 13106-07, para. 81.

⁸ See generally 31 U.S.C. §3701 *et seq.*

⁹ See 47 CFR § 1.2204(c)(4)(iii).

¹⁰ See *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11051, para. 45; *Auction 1000 Application Instructions Public Notice*, 30 FCC Rcd at 13101, para. 47.

proceeding or order.¹¹ The applicant's certifications ensured that an applicant whose stations might go off-air as a result of the auction would not thereby avoid any liability to the public and owed to the Commission.

10. The Wireless Telecommunications and Media Bureaus (collectively, the Bureaus), in the confidential letter informing an applicant of the initial status of its auction application, informed applicants of any potential FCC liabilities associated with pending enforcement matters relating to a particular station that could not be resolved before the initial commitment deadline.¹² The Bureaus also indicated the amount of auction proceeds that the Commission would withhold based on these potential liabilities should the applicant relinquish its license(s) as a result of the auction and therefore otherwise no longer be subject to the Commission's jurisdiction.¹³ The amount represented the maximum necessary to cover a potential forfeiture based on enforcement matters existing at that time.¹⁴ This process ensured that the applicant would be aware of withholding based on pending enforcement matters before making an initial commitment to relinquish its spectrum usage rights.¹⁵

11. All auction proceeds held pursuant to the circumstances described in paragraphs 8 through 10 above will be held in the U.S. Treasury. Amounts held following the auction will be released to the broadcaster or applied towards any forfeiture costs and other debt the broadcaster owes to the Commission, as appropriate in light of the final resolution of the relevant issues.¹⁶

B. Procedure for Providing Reverse Auction Winning Bidder's Payment Instructions to the Commission

12. The Commission's rules require reverse auction winning bidders to submit information necessary to facilitate the disbursement of incentive payments.¹⁷ Once it has created its FCC Username Account in the FCC User Registration System and associated it with the winning bidder's FRN in the updated CORES as described above, a winning bidder must submit payment instructions for each station with a winning bid through a two-step process to reduce the risk of error or fraud. First, as discussed in detail below, a winning bidder must submit a signed and notarized FCC Form 1875, along with a bank account verification letter or redacted bank statement that confirms ownership of the bank account, for each station with a winning bid. After determining that all of the required information has been provided in the FCC Form 1875, FCC staff will grant the winning bidder access to the CORES Incentive Auction Financial Module. Next, the winning bidder must enter bank account information for the incentive payment recipient in the CORES Incentive Auction Financial Module. FCC staff will review the information submitted electronically in the CORES Incentive Auction Financial Module to confirm that it matches the bank account information submitted in the signed and notarized FCC Form 1875. FCC staff will contact the winning bidder to resolve any discrepancies between information received in the FCC

¹¹ See *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11051, para. 46; *Auction 1000 Application Instructions Public Notice*, 30 FCC Rcd at 13101, para. 45.

¹² See *Incentive Auction R&O*, 29 FCC Rcd at 6721–22, para. 361; *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11051, para. 47.

¹³ *Id.*

¹⁴ *Incentive Auction R&O*, 29 FCC Rcd at 6721–22, para. 361. See also *Comment Sought on Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002*, Public Notice, 29 FCC Rcd 15750, 15780, para. 85 (2014); *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11051, para. 47.

¹⁵ See *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11051, para. 47.

¹⁶ See, e.g., *Incentive Auction R&O*, 29 FCC Rcd at 6721–22, para. 361.

¹⁷ 47 CFR § 1.2209.

Form 1875 and in the CORES Incentive Auction Financial Module and will instruct the winning bidder how to submit updated payment instructions.¹⁸ No incentive payment will be made if the bank account information in the CORES Incentive Auction Financial Module does not match the bank account information in the FCC Form 1875.

13. Each winning bidder bears full responsibility for submitting accurate, complete, and timely bank account information for each station it has with a winning bid.¹⁹ Each winning bidder must make certifications under penalty of perjury on its FCC Form 1875 relating to the information provided in the form, and must confirm that it is in compliance with all applicable statutes, regulations, rules and instructions entitling it, or relating, to incentive payments. If a winning bidder instructs that its incentive payment be made to a third party, the third party also must make certifications concerning the incentive payment.

14. The submission of an FCC Form 1875 (and any amendments thereto) constitutes a representation by the individual certifying the form that he or she is authorized to do so on behalf of the winning bidder, that he or she has read the form's instructions and certifications, and that the contents of the form, its certifications, and its attachments are true, accurate and complete. Submission of any false claims, statements or documents, or concealment of a material fact may be prosecuted under applicable Federal law and/or result in civil action.

15. When filling out an FCC Form 1875 and entering bank account information electronically in the CORES Incentive Auction Financial Module, a winning bidder should follow the instructions in this Public Notice, the forthcoming CORES Incentive Auction Financial Module User Manual, and any related Commission releases. A winning bidder should be fully familiar with other public notices and/or decisions that have been issued in this proceeding, any future public notices and/or decisions that may be issued in this proceeding, and any other relevant public notices and/or decisions the Commission issued in other proceedings that may relate to the incentive auction. Additional guidance, data, and information related to the post-auction transition will be available at www.fcc.gov/incentiveauctions. Additionally, copies of these and other relevant documents are available at the FCC's headquarters located at 445 12th Street, SW, Washington, DC 20554 during normal business hours. On March 13, 2017, the Task Force, in conjunction with the Media Bureau, hosted a public workshop to review procedures related to the post-auction broadcast transition. A recording of the workshop is accessible from www.fcc.gov/incentiveauctions and can also be accessed directly at www.fcc.gov/news-events/events/2017/03/post-incentive-auction-transition-workshop.

1. FCC Form 1875

16. The reverse auction incentive payment instructions form is FCC Form 1875. Submitting an FCC Form 1875 is the first of two steps in the Commission's process to gather bank account information to facilitate the disbursement of incentive payments. **A winning bidder must complete and submit a separate original hard-copy signed and notarized FCC Form 1875 for each station for which it had a winning bid.**

¹⁸ Specifically, FCC staff will notify the contact person listed in a winning bidder's FCC Form 1875 that: (1) there was a discrepancy between the information in the FCC Form 1875 and in the CORES Incentive Auction Financial Module; and (2) the FCC is contacting the individual authorized to enter bank account information on behalf of the winning bidder (i.e., the Authorized Agent) for corrective actions.

¹⁹ The Media Bureau intends to process and may grant applications to assign or transfer stations with winning bids. However, to safeguard the integrity of the incentive auction process and reduce the risk of error or fraud, a transaction involving a station with a winning bid may not be consummated until after the U.S. Treasury has disbursed the station's incentive payment. See *Incentive Auction R&O*, 29 FCC Rcd at 6787, para. 538.

17. The Commission will send one blank FCC Form 1875 for each station with a winning bid via overnight mail to the contact person listed in a winning bidder's FCC Form 177. If a winning bidder makes a mistake or needs an additional FCC Form 1875 to update its payment instructions,²⁰ it must contact FO-REPinvoices@fcc.gov and FCC staff will mail an additional form to the contact listed in the winning bidder's FCC Form 1875.²¹ It is the winning bidder's FCC Form 177 contact person's responsibility to deliver the FCC Form 1875 to the appropriate designated winning bidder representative for completion.

18. Winning bidders must complete and submit their FCC Form 1875 within 20 business days after the release of the *Auction 1000 Closing and Channel Reassignment Public Notice (Closing and Reassignment Public Notice)*.²² Any delay in submission may cause a delay in the disbursement of an incentive payment as directed by the winning bidder.

19. Once completed, signed, and notarized, the original hard-copy FCC Form 1875 must be sent to:²³

Federal Communications Commission
Travel & Operations Group, Attn: Chief of TOG
9300 East Hampton Drive
Capitol Heights, MD 20743

20. The FCC Form 1875 requests information used to facilitate the disbursement of a winning bidder's incentive payment(s). Specifically, a winning bidder must provide information concerning the following for each station it has with a winning bid: (1) Reverse Auction Winning Bidder Information, (2) Recipient of the Reverse Auction Incentive Payment, (3) Third Party Payee Information, if applicable, (4) Financial Institution Information for Automated Clearing House (ACH) Payment, and (5) Certifications and Notarized Signature by Reverse Auction Winning Bidder.

21. In the *Reverse Auction Winning Bidder Information* section of FCC Form 1875, a winning bidder will provide basic information about itself, including the winning bidder's name,²⁴ its FCC Registration Number (FRN), its Tax ID,²⁵ the Facility ID for a station with a winning bid, and

²⁰ To reduce the risk that individuals or entities not entitled to receive incentive payments may gain access and submit fraudulent payment instructions, the FCC Form 1875 will not be available electronically.

²¹ In the event that the winning bidder has not yet submitted an FCC Form 1875, a blank form will be sent to the recipient of the original FCC Form 1875.

²² The *Closing and Reassignment Public Notice* is the same public notice referred to as the *Channel Reassignment Public Notice* in prior public notices and orders released in this proceeding. See, e.g., *Incentive Auction R&O*, 29 FCC Rcd at 6782-83, para. 525; *Auction 1000 Application Procedures Public Notice*, 30 FCC Rcd at 11088, para. 167; 47 CFR § 73.3700(a)(2). As stated in the *Incentive Auction R&O*, we may release the auction closing public notice and the *Channel Reassignment Public Notice* simultaneously. See *Incentive Auction R&O*, 29 FCC Rcd at 6783-84, para. 529.

²³ We recommend that a winning bidder mail its original hard-copy signed and notarized FCC Form 1875 by a trackable delivery method, such as certified U.S. mail or overnight mail, that will allow the winning bidder to confirm proof of delivery. A Payment Applicant that anticipates receiving payments in connection with the incentive auction for multiple stations may send more than one FCC Form 1875 and/or 1876 in the same envelope.

²⁴ The FCC Form 1875 requires a winning bidder to provide its name as listed in: (1) the *Closing and Reassignment Public Notice*; and, if different, (2) in CORES.

²⁵ This must match the winning bidder's Tax ID associated with its FRN in the updated CORES. To reduce the risk of delayed payments, we recommend that each winning bidder review its records and confirm that the Tax ID entered in the FCC Form 1875 is the Tax ID associated with its FRN in the updated CORES.

contact information for the winning bidder.²⁶ **This section also requires that a winning bidder identify an individual agent that is authorized to enter bank account information in the CORES Incentive Auction Financial Module on behalf of the winning bidder.** As discussed below, to reduce the risk of fraud, only one FCC Username Account per station with a winning bid (i.e., one person per Facility ID) will be authorized to enter and/or modify bank account information for the station in the CORES Incentive Auction Financial Module.²⁷

22. In the *Recipient of the Reverse Auction Incentive Payment* section of FCC Form 1875, a winning bidder will indicate to whom the reverse auction incentive payment should be disbursed. For each winning bid, the station's incentive payment will be disbursed only to a single payee and into a single account.²⁸ A winning bidder may provide instructions that its payment for a station be disbursed to a third-party.²⁹ To facilitate this option, the FCC Form 1875 asks a winning bidder to indicate whether the reverse auction incentive payment should be disbursed to the reverse auction winning bidder identified in the *Reverse Auction Winning Bidder Information* section (Part 1) of the form or to a third party payee identified in the *Third Party Payee Information* section (Part 3) of the form.

23. In the *Third Party Payee Information* section of FCC Form 1875, a winning bidder will provide the name and Tax ID for the third party payee to whom the reverse auction incentive payment should be disbursed, if applicable. **This section should be completed if the reverse auction winning bidder indicated that the incentive payment should be disbursed to a third party payee. A reverse auction winning bidder should not complete this section of the FCC Form 1875 if it has indicated that the incentive payment should be disbursed to the reverse auction winning bidder identified in the *Reverse Auction Winning Bidder Information* section (Part 1) of the form.**

24. In the *Third Party Payee Information* section the third party payee must make required certifications concerning reverse auction incentive payments.³⁰ As stated in the form, by signing this section of the form, the third party payee:

- Agrees to indemnify and hold harmless the United States, the Commission, and any disbursing officer, from any and all liability arising from the disbursement of incentive payments pursuant to these payment instructions;
- Acknowledges and agrees that incentive payments pursuant to these payment instructions may be subject to offset pursuant to applicable law for debts (owed to the Commission including its reporting components or the United States) by either the winning bidder or the third party payee designated by the winning bidder;

²⁶ Please note that the contact information requested in the FCC Form 1875 is solely for purposes of facilitating a winning bidder's incentive payment. The contact person listed in the FCC Form 1875 may be different than the contact listed in other FCC forms or databases, such as the FCC Form 177, CORES, LMS, CDBS, etc.

²⁷ Although only one person per Facility ID will be able to enter and modify bank account information in the CORES Incentive Auction Financial Module, a CORES FRN Administrator may grant access to additional individuals to view limited bank account and payment information in the CORES Incentive Auction Financial Module. Those additional individuals will not, however, be able to enter or modify the bank account information for a station with a winning bid.

²⁸ See *Payment Clarification Public Notice*, 30 FCC Rcd at 13613. Any division of payments will be the responsibility of the winning bidder or the party to which the winning bidder's payment is disbursed, not the Commission. *Id.* at 13613-14.

²⁹ *Id.* at 13613.

³⁰ See *id.* at 13614; *Auction 1000 Application Instructions Public Notice*, 30 FCC Rcd at 13106-07, para. 81.

- Acknowledges and agrees that incentive payments will not be made to (or for the benefit of) any winning bidder or other payee appearing on the U.S. Treasury's "Do Not Pay" portal;
- Acknowledges that any person who knowingly submits these payment instructions containing any misrepresentation or any false, incomplete or misleading information may be guilty of a criminal act and may be subject to criminal penalties;
- Certifies that it is in compliance with all applicable statutes, regulations, rules and instructions entitling it, or relating, to incentive payments; and
- Certifies that all information contained in the form is true, accurate and complete and understands that the incentive payment will be made from Federal funds and that any false claims, statements or documents, or concealment of a material fact may be prosecuted under applicable Federal law and/or result in civil action.

25. A person with the authority to bind the third party payee (e.g., corporate officer or owner) must sign the third party payee certifications and a notary public must acknowledge the signature. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution.

26. In the *Financial Institution Information for Automated Clearing House (ACH) Payment* section of FCC Form 1875, the winning bidder will provide information about the financial institution where the incentive payment will be sent, including the name, address, and telephone number of the financial institution, the routing transit number, depositor account title,³¹ account number, and type of account (i.e., checking or savings). This section of the form also instructs the winning bidder to attach to the form one of the following to confirm that the bank account listed in the FCC Form 1875 belongs to the incentive payment recipient: (1) a letter from the bank;³² or (2) a redacted bank statement that confirms ownership of the bank account.

27. In the *Certifications and Notarized Signature by Reverse Auction Winning Bidder* section of FCC Form 1875, the winning bidder must make certifications concerning the reverse auction incentive payment.³³ As stated in the form, by signing this section of the form, the winning bidder:

- Agrees to indemnify and hold harmless the United States, the Commission, and any disbursing officer, from any and all liability arising from the disbursement of incentive payments pursuant to these payment instructions;
- Acknowledges and agrees that incentive payments pursuant to these payment instructions may be subject to offset pursuant to applicable law for debts (owed to the Commission including its reporting components or the United States) by either the winning bidder or the third party payee designated by the winning bidder;
- Acknowledges and agrees that incentive payments will not be made to (or for the benefit of) any winning bidder or other payee appearing on the U.S. Treasury's "Do Not Pay" portal;
- Requests that, if the winning bidder has designated a third party payee on the FCC Form 1875, then the Commission should disburse the incentive payment to the third party payee;

³¹ This is the name of the account holder exactly as it appears in the bank records.

³² This is a routine process for banks to verify ownership of a bank account. A sample bank letter will be attached to the FCC Form 1875.

³³ See *Payment Clarification Public Notice*, 30 FCC Rcd at 13614; *Auction 1000 Application Instructions Public Notice*, 30 FCC Rcd at 13106-07, para. 81.

- Acknowledges that any person who knowingly submits these payment instructions containing any misrepresentation or any false, incomplete or misleading information may be guilty of a criminal act and may be subject to criminal penalties;
- Certifies that it is in compliance with all applicable statutes, regulations, rules and instructions entitling it, or relating, to incentive payments; and
- Certifies that all information contained in the form is true, accurate and complete and understands that the incentive payment will be made from Federal funds and that any false claims, statements or documents, or concealment of a material fact may be prosecuted under applicable Federal law and/or result in civil action.

28. A person with the authority to bind the winning bidder (e.g., corporate officer or owner) must sign the winning bidder certifications and a notary public must acknowledge the signature. To prevent fraudulent changes to the payment instructions, in the event that changes are made to any of the information in the FCC Form 1875 after it has been submitted to the Commission, the person originally certifying the FCC Form 1875 will have to certify the changes as well. Should the need to change the certifier arise for any reason, the licensee must e-mail FO-REPinvoices@fcc.gov for further instructions. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution.

2. CORES Incentive Auction Financial Module

29. Entering bank account information electronically in the CORES Incentive Auction Financial Module is the second step in the Commission's process to gather information to facilitate the disbursement of incentive payments. To reduce the risk of fraud, FCC staff will review the information entered in the CORES Incentive Auction Financial Module for a station with a winning bid to confirm that it matches the information provided in the signed and notarized FCC Form 1875 for that station. FCC staff will contact the winning bidder if there is a discrepancy between the information entered in the FCC Form 1875 and the information entered into the CORES Incentive Auction Financial Module.³⁴ The CORES Incentive Auction Financial Module will also provide information about a station's incentive payment.

a. Minimum Software Requirements

30. A representative for a winning bidder must complete and submit bank account information electronically for each station with a winning bid using a personal computer or equivalent device. At the minimum, the following is required to access the CORES Incentive Auction Financial Module:

- Microsoft® Windows® 7
- Microsoft® Internet Explorer® 8 or higher; Google Chrome™ 2.0 or higher; Firefox 3.0 or higher version
- The browser must be configured to accept cookies and JavaScript with a minimum of TLS 1.1 security

³⁴ Specifically, FCC staff will notify the contact person listed in a winning bidder's FCC Form 1875 that: (1) there was a discrepancy between the information in the FCC Form 1875 and in the CORES Incentive Auction Financial Module; and (2) the FCC is contacting the Authorized Agent for corrective actions.

- Access to the internet
- 1600 x 900 screen resolution or higher.

31. Smartphones and tablets are not supported. The CORES Incentive Auction Financial Module may run on different computer configurations, including browsers not listed above. It is the responsibility of the user to test any alternative configurations with the CORES Incentive Auction Financial Module in advance of submitting payment instructions and to ensure that they have access to one of the supported browsers should they experience problems.

32. Users are discouraged from using web browsers containing third-party toolbars or other extensions. Third-party browser extensions may potentially cause problems for users of interactive websites, including the CORES Incentive Auction Financial Module, and may make users' computers more vulnerable to hacker attacks. If in doubt, users should consult their internal information technology departments in order to disable third-party browser extensions or, if necessary, obtain a clean installation of a supported web browser.

33. To maximize protection against potential security vulnerabilities, users are advised to ensure the latest service pack (if applicable), security patches for their operating system (including Internet Explorer), and the most recent version of Google Chrome (where relevant), have been installed.

b. Accessing the CORES Incentive Auction Financial Module

34. Access to the CORES Incentive Auction Financial Module will be enabled at the station level via Facility ID. As explained above, in order for an FCC Username Account to be granted access to the CORES Incentive Auction Financial Module, the user must first associate its FCC Username Account with a winning bidder's FRN.

35. The CORES Incentive Auction Financial Module has three components: (1) Auction Bank Accounts where bank account information is entered and viewed; (2) Auction Payments where FCC Username Accounts can view payment details for Payment Applicants; and (3) Manage View Permissions where the CORES FRN Administrator can manage and see who has permission to view limited bank account information and payment details.

36. Within the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, only one point of contact (Authorized Agent) per station with a winning bid will be granted access to enter bank account information. As discussed above, a winning bidder will identify its Authorized Agent in its FCC Form 1875.³⁵ Once the Authorized Agent submits bank account information for a Facility ID in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, the bank account entry will be locked and the Authorized Agent will no longer be able to edit it. While the FCC is reviewing bank account information, the Authorized Agent will not be able to view any of the banking information. The Authorized Agent will, however, be able to view limited bank account information for the Facility ID (i.e., account holder name, bank name, and the last four digits of the account number) once the banking information has been validated by the FCC. As discussed in more detail below,³⁶ if a winning bidder needs to change its payment instructions for a particular Facility ID, the station's contact listed in the FCC Form 1875 or the Authorized Agent must notify Commission staff of the need for a change by sending an e-mail to FO-REPinvoices@fcc.gov. After contacting the FCC, the winning bidder will be required to submit an updated signed and notarized FCC Form 1875, including a new bank account verification letter or redacted bank statement that confirms ownership of the bank

³⁵ See Section II.B.1 (FCC Form 1875).

³⁶ See Section II.C (Updating Bank Account Information).

account, if applicable.³⁷ FCC staff will review the updated FCC Form 1875 and grant the Authorized Agent access to enter the bank account information for the Facility ID in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

37. Although only one person per Facility ID will have the ability to enter bank account information for a station with a winning bid in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, a winning bidder's CORES FRN Administrator may grant to FCC Username Accounts associated with the winning bidder's FRN limited access to view the bank name and the last four digits of the account number entered for a Facility ID.³⁸ The CORES FRN Administrator also may grant to FCC Username Accounts associated with the winning bidder's FRN access to view the payment information for a Facility ID. The CORES FRN Administrator will grant these "view only" permissions in the Manage View Permissions component of the CORES Incentive Auction Financial Module. **Note that an FCC Username Account in the updated CORES associated with a winning bidder's FRN will not have access to the CORES Incentive Auction Financial Module unless the user was identified as the Authorized Agent in the FCC Form 1875, is a CORES FRN Administrator, or has "view only" access granted by the winning bidder's CORES FRN Administrator.**

38. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how a CORES FRN Administrator may assign or remove "view only" permissions from FCC Username Accounts associated with a winning bidder's FRN for one or more Facility IDs.

c. Entering Bank Account Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts Component

39. As discussed above, a winning bidder will identify one Authorized Agent in its FCC Form 1875 that will enter bank account information for a particular Facility ID in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. After FCC staff reviews a completed, signed, and notarized FCC Form 1875, an e-mail notification will be sent to the contact listed in the FCC Form 1875 and the Authorized Agent explaining that the Authorized Agent received access to enter bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. The Authorized Agent will have 10 business days from the date of that notification e-mail to enter and submit bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module for that Facility ID. As detailed further below, once the Authorized Agent submits the information, it cannot be changed. If the Authorized Agent fails to enter and submit bank account information within 10 business days of the date of the notification email, the system will lock the blank bank account entry for that Facility ID, and the Authorized Agent will no longer be able to enter any bank account information. In order to unlock the bank account entry and restore its Authorized Agent's editing abilities, a winning bidder must contact the

³⁷ A winning bidder will need to submit a new bank account verification letter or redacted bank statement if any of the bank account information (e.g., depositor account title, bank name, account type, account number, or routing number) in the updated FCC Form 1875 conflicts with the information in the verification letter or redacted bank statement provided with the previously submitted FCC Form 1875.

³⁸ The Authorized Agent will not have the ability to grant other FCC Username Accounts associated with a winning bidder's FRN "view only" access to the CORES Incentive Auction Financial Module unless the Authorized Agent is also the CORES FRN Administrator.

FCC User Registration System and CORES Help Desk at (202) 418-4120 or CORESHelpDesk@fcc.gov.³⁹

40. A winning bidder, via its Authorized Agent, must enter in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module the following bank account information for each Facility ID for which it expects to receive a payment in connection with the incentive auction: account holder name (same as depositor account title on FCC Form 1875), bank name, account type, routing number, and account number. The information that an Authorized Agent enters electronically in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module must match the information provided in the FCC Form 1875 submitted for a Facility ID for the FCC to validate the account information and accept it into the FCC's financial system. Otherwise FCC Financial Operations will not release a request to the U.S. Treasury to disburse an incentive payment for that Facility ID.

41. The Auction Bank Accounts component of the CORES Incentive Auction Financial Module was designed to allow a Payment Applicant that has more than one station for which it expects to receive a payment in connection with the incentive auction (i.e., an incentive payment or a reimbursement payment) to enter bank account information for multiple Facility IDs sharing an FRN at one time if the payments will be disbursed to the same bank account.⁴⁰ In order to use this feature, a Payment Applicant must assign the same individual as the Authorized Agent for each station that will receive a payment to the same bank account.

42. After the Authorized Agent submits the required bank account information, the data will be sent to FCC Financial Operations for validation. **At this point, the bank account entry is locked and the Authorized Agent will not be able to make any changes to it in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. While FCC staff reviews bank account information, the Authorized Agent will not be able to view any of the banking information. Once the banking information has been validated by FCC staff, the Authorized Agent will only be able to view limited bank account information including the account holder name, bank name, and last four digits of the account number but will still not be able to make any changes to this information.** As a result, the Authorized Agent must carefully review the bank account information on the *Review Bank Account for Facility IDs/File Numbers* screen before clicking **SUBMIT**. If any changes are required after the bank account information has been submitted, a winning bidder must follow the process for updating bank account information discussed below.⁴¹ After clicking **SUBMIT**, the Authorized Agent will see the *Bank Account Entry Confirmation* screen that lists the FRN and associated Facility IDs for which the Authorized Agent submitted bank account information. This screen also reminds the Authorized Agent that the bank account entry has been locked for those Facility IDs.

43. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how an Authorized Agent may enter bank account information into the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

³⁹ See Section II.C (Updating Bank Account Information).

⁴⁰ It also is possible that a Payment Applicant may have stations with winning bids and reassigned stations that share an FRN. Note that different forms are required for winning bidder incentive payments (FCC Form 1875) and reimbursement payments (FCC Form 1876).

⁴¹ See Section II.C (Updating Bank Account Information).

d. Viewing Bank Account Information and Payment Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts and Auction Payments Components

44. *Viewing Bank Account Information.* In the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, the CORES FRN Administrator, Authorized Agent, and any FCC Username Account that has been granted permission to view bank account information for a particular Facility ID, will be able to see the status of the Facility ID's bank account entry. The statuses include: pending access (Authorized Agent waiting for permission to enter bank account information); unsubmitted (Authorized Agent must enter/update bank account information in the CORES Incentive Auction Financial Module); in FCC review (FCC reviewing bank account information); and validated (FCC reviewed and approved paper form and electronic submission).

45. Once FCC staff has validated the bank account information for a particular Facility ID and accepted it into the FCC's financial system, the CORES FRN Administrator and any FCC Username Account that has been granted permission to view bank account information for the Facility ID will see the bank name and last four digits of the account number designated for the Facility ID.⁴² The Authorized Agent will be restricted to viewing the same limited bank account information, with the exception that it will also be able to see the account holder name.

46. *Viewing Payment Information.* In the Auction Payments component of the CORES Incentive Auction Financial Module, the CORES FRN Administrator, Authorized Agent, and any FCC Username Account that has been granted permission to view payment information for a particular Facility ID will be able to view the winning bid amount,⁴³ less amount withheld or offset,⁴⁴ payment request released to the U.S. Treasury,⁴⁵ and any remaining balance (i.e., net amount) owed to the winning bidder for the Facility ID.⁴⁶ Once the FCC requests that the U.S. Treasury disburse a payment, the information will be updated to include the amount that the FCC requested be disbursed with respect to the Facility ID and the U.S. Treasury scheduled disbursement date.⁴⁷

47. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how an FCC Username Account with the applicable permissions may view bank account information and/or payment information in the Auction Bank Accounts and Auction Payments components of the CORES Incentive Auction Financial Module.

⁴² A CORES FRN Administrator will see limited bank account information for each station associated with the winning bidder's FRN that will receive a payment in connection with the incentive auction (i.e., an incentive payment or a reimbursement payment).

⁴³ This is the winning bid amount for the Facility ID as listed in the *Closing and Reassignment Public Notice*.

⁴⁴ This is the amount of money withheld or offset by the FCC for debts owed to the Commission including its reporting components by either the reverse auction winning bidder or the third party payee. This amount may also include amounts withheld based on pending enforcement matters against the station. *See* Section II.A (Background).

⁴⁵ This is the amount of money that the Commission requests for the U.S. Treasury to disburse to the winning bidder.

⁴⁶ Before the incentive payment for a station with a winning bid is disbursed, this data field will show the net amount owed to the winning bidder for the station. Once the incentive payment is disbursed, this data field will reflect a zero balance owed to the winning bidder for the station.

⁴⁷ The U.S. Treasury scheduled disbursement date is the date that the FCC's certifying officer approves disbursement by the U.S. Treasury. Depending on the Payment Applicant's bank, we expect that funds should be available within two business days of the U.S. Treasury scheduled disbursement date.

C. Updating Bank Account Information

48. A winning bidder may make changes to its payment instructions for a particular Facility ID up until the FCC releases a public notice informing the winning bidder that the FCC has directed the U.S. Treasury to disburse an incentive payment for that Facility ID. If a winning bidder needs to change its payment instructions (e.g., identify a new payment recipient, change bank account information, or change the Authorized Agent), the winning bidder's contact listed in the FCC Form 1875 or the Authorized Agent must request a freeze on unprocessed payments⁴⁸ by sending an e-mail to FO-REPinvoices@fcc.gov requesting that the Commission freeze payments, notifying the Commission of the change, and, if necessary, requesting that the FCC mail the winning bidder a blank FCC Form 1875. An e-mail notification will be sent to the contact listed in the FCC Form 1875 and the Authorized Agent if the Commission freezes a station's bank account designated for an unprocessed incentive payment. A winning bidder may not make changes to its payment instructions once an incentive payment is in process at the U.S. Treasury.

49. A winning bidder does not need to request a payment freeze for a particular station if the contact listed in the *Reverse Auction Winning Bidder Information* section of the FCC Form 1875 is changed; however, if the Authorized Agent changes, a new FCC Form 1875 must be submitted and FCC staff will re-check the CORES Incentive Auction Financial Module banking record to confirm that the bank account information entered into the Auction Bank Accounts component matches the information in the FCC Form 1875 for that station.

50. Changes to bank account information for a station with a winning bid will only be initiated through direction of an updated signed and notarized FCC Form 1875, along with a bank account verification letter or redacted bank statement that confirms ownership of the bank account.⁴⁹ After FCC staff reviews the updated signed and notarized FCC Form 1875, an e-mail notification will be sent to the contact listed in the FCC Form 1875 and the Authorized Agent notifying them of the Authorized Agent's access to enter bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. The Authorized Agent will have 10 business days from receipt of that notification e-mail to enter the bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.⁵⁰ An e-mail notification will be sent to the contact listed in the FCC Form 1875 and the Authorized Agent whenever any change is made to the bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

51. After FCC staff has confirmed that the updated bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module matches with the bank account information in the updated signed and notarized FCC Form 1875, the payment freeze will be lifted. An e-mail notification will be sent to the contact listed in the FCC Form 1875 and the Authorized Agent when the payment freeze is lifted.

⁴⁸ A payment has been "processed" or is "in process" if the Commission has sent a request to the U.S. Treasury to disburse the payment.

⁴⁹ As discussed above, to reduce the risk of fraudulent changes in payment instructions, the person who originally certified the FCC Form 1875 must certify the changes as well. Should the need to change the certifier arise for any reason, the winning bidder must e-mail FO-REPinvoices@fcc.gov for further instructions. See Section II.B.1 (FCC Form 1875).

⁵⁰ Note that if the bank account entry is unlocked because a winning bidder has submitted a new FCC Form 1875, all of the fields in the bank account entry will be blank and the Authorized Agent will need to enter all of the required information.

D. Processing Payments**1. Timing**

52. The timing of incentive payments is tied to the process for granting forward auction license applications and cannot be determined precisely in advance.⁵¹ Auction proceeds for new 600 MHz band licenses won in the forward auction will provide the funds for incentive payments, as those licenses are granted.⁵² As in other auctions, the Commission will grant 600 MHz band licenses on a rolling basis when applications filed by forward auction winning bidders are ready to be granted.

2. Complete Payments

53. Consistent with making only a single incentive payment to a single payee and into a single account for each station with a winning bid, each incentive payment disbursed by the U.S. Treasury will be for the station's total incentive payment. The amount received in the account designated by the Payment Applicant may reflect offsets and withholding, as discussed above.⁵³ In such circumstances, the amount received may be less than the amount of the winning bid.

3. Sequencing, if Necessary

54. It may be possible to disburse funds to cover the full amount of incentive payments for all stations with winning bids at one time. In the event, however, that this is not possible, incentive payments for stations with winning bids will be disbursed after sufficient funds become available to cover those payments. To allow stations with winning bids to vacate their spectrum in a manner that will maintain the transition schedule for stations remaining on the air, the order in which stations with winning bids will receive incentive payments will be determined by the post-auction transition schedule.⁵⁴

4. Public Notice of Ready to Pay

55. When the Commission is ready to direct the U.S. Treasury to make incentive payments, a public notice will specify each station with a winning bid, along with its respective winning bidder as identified in the *Closing and Reassignment Public Notice*, for which a payment is ready to be disbursed (*Ready to Pay Public Notice*). For reasons already discussed, the precise timing of any such public notice cannot be known with certainty in advance. As discussed above, a single public notice may cover all incentive payments for all winning bidders or multiple public notices may be needed should incentive payments need to be disbursed at more than one time for any reason.⁵⁵

56. The release of a *Ready to Pay Public Notice* for specified stations with winning bids will indicate that Commission staff has directed the U.S. Treasury to make the related incentive payments.

⁵¹ *Incentive Auction R&O*, 29 FCC Rcd at 6786, para. 534.

⁵² As explained in the *Incentive Auction R&O*, the Commission disburses auction proceeds only after spectrum licenses associated with winning bids have been granted, absent express statutory direction to do otherwise. *Id.* That is, only after the Commission grants a spectrum license to a winning bidder does the Commission disburse any payments made in connection with the license to the FCC's administrative account or to the Treasury. *Id.*

⁵³ See Section II.A (Background).

⁵⁴ The post-auction transition schedule governs when stations remaining on the air must complete their transition to their assigned post-auction channels.

⁵⁵ In addition, notwithstanding the availability of sufficient funds to make all incentive payments, technical issues or factors relating to a particular payee may require additional time to resolve. In that case, the Commission will issue a *Ready to Pay Public Notice* covering other stations' incentive payments and subsequently issue another *Ready to Pay Public Notice* as soon as the particular issues relating to the delayed payment are resolved.

However, the Commission does not control the precise date on which the U.S. Treasury makes each incentive payment or when each incentive payment is received in the account identified by the winning bidder or becomes available to the account holder. **For purposes of implementing Commission rules and procedures that establish deadlines based on when a winning bidder receives its incentive payment,⁵⁶ a station with a winning bid will be considered to have received its incentive payment five (5) business days after the date of the *Ready to Pay Public Notice* stating that the incentive payment for the particular station with a winning bid is ready to be disbursed.**

57. The Auction Payments component of the CORES Incentive Auction Financial Module separately will report the U.S. Treasury scheduled disbursement date. That date is provided for purposes of tracking payments. **The scheduled disbursement date reported in the Auction Payments component of the CORES Incentive Auction Financial Module, however, will not be considered the date of receipt by the winning bidder for purposes of implementing the Commission's rules.** Instead, as noted above, the winning bidder will be considered to have received its payment five (5) business days after the date of the *Ready to Pay Public Notice* stating that the incentive payment for a particular station with a winning bid is ready to be disbursed.

58. The U.S. Treasury has authority to offset federal payments, including incentive payments, based on information not available to the Commission.⁵⁷ Consequently, the Auction Payments component of the CORES Incentive Auction Financial Module cannot report information regarding any such offsets.⁵⁸ A winning bidder needing information regarding any discrepancy between the amount of its winning bid and the incentive payment received that is not accounted for by offsets or withholdings identified by the Commission must seek the information directly from the U.S. Treasury by calling 1-800-304-3107.⁵⁹

III. REIMBURSEMENT PAYMENTS FOR ELIGIBLE RELOCATED ENTITIES AND MVPDS

A. Background

59. The Spectrum Act requires the Commission to reimburse broadcast television licensees for costs "reasonably incurred" in relocating to new channels assigned in the repacking process and MVPDs for costs reasonably incurred in order to continue to carry the signals of stations relocating to new channels as a result of the repacking process or a winning reverse auction bid (collectively, Eligible Entities).⁶⁰ Reimbursements must be made from the \$1.75 billion Fund within three years of completion of the forward auction (Reimbursement Period).⁶¹

⁵⁶ See, e.g., 47 CFR § 73.3700(b)(1)(vii), (b)(3), (b)(4)(i)-(ii). See also *Incentive Auction Task Force and Media Bureau Announce Procedures for the Post-Incentive Auction Broadcast Transition*, Public Notice, 32 FCC Rcd 858, 876, 878-79, paras. 56, 63-64 (MB 2017).

⁵⁷ See generally 31 U.S.C. §3701 *et seq.*

⁵⁸ The Auction Payments component of the CORES Incentive Auction Financial Module will show any amounts withheld and amounts offset by the Commission from winning bidder incentive payments.

⁵⁹ Hearing impaired callers may use the Federal Relay Service by dialing 1-800-877-8339 to reach a communications assistant who will dial the toll free number.

⁶⁰ 47 U.S.C. § 1452(b)(4)(A)(i)-(ii); *Incentive Auction R&O*, 29 FCC Rcd at 6812, para. 598. As decided in the *Incentive Auction R&O*, the Commission will reimburse relocation costs reasonably incurred by full power and Class A television licensees that are involuntarily reassigned to new channels in the repacking process pursuant to 47 U.S.C. § 1452(b)(1)(B)(i). The Commission will not reimburse winning bidders for voluntary frequency changes (i.e., winning UHF-to-VHF, high-VHF-to-low-VHF, or channel sharing bidders). Sharer stations that participate in (continued....)

60. Before the Commission can direct disbursement of reimbursement payments, an Eligible Entity must certify its agreement with and acknowledgement of specified payment terms and provide necessary information regarding the account to which the reimbursement payment should be made. Subsection B below provides a general overview of the reimbursement process. Subsection C describes the required agreements, acknowledgements, and account information and instructs Eligible Entities on how to submit to the Commission the information required to receive reimbursement payments. Subsection D addresses the process for making any changes to the instructions that might become necessary before reimbursement payments are made. Following these instructions will facilitate the disbursement of a reimbursement payment to an Eligible Entity at the earliest possible time. Subsection E discusses the Commission's process when payments are ready to be made.

61. Each reimbursement payment will be disbursed pursuant to the Eligible Entity's instructions. A reimbursement payment for a particular Eligible Entity will be disbursed only to a single payee and only into a single account. Reimbursement payments will not be disbursed to third parties. Therefore, a reimbursement payment will not be disbursed to an Eligible Entity's creditor (e.g., an equipment vendor, contractor, etc.) on behalf of the Eligible Entity. The Commission will not exercise its right to offset or withhold against any reimbursement payment debt owed to the Commission by the Eligible Entity. The Commission, however, will continue to pursue all other available avenues to collect debt owed to it (including the Commission's reporting components), including referring unpaid debt to the U.S. Treasury for collection pursuant to the Debt Collection Improvement Act of 1996.⁶² To the extent an Eligible Entity owes debt to the Commission or any another federal agency, the U.S. Treasury may offset such debt or debts from a reimbursement payment,⁶³ resulting in a reimbursement payment that is less than the approved amount.

B. Reimbursement Process Overview

62. In the *Incentive Auction R&O*, the Commission established a process that requires all Eligible Entities seeking reimbursement to provide an estimate of their eligible relocation costs using FCC Form 2100, Schedule 399 (Reimbursement Form) no later than 90 days following the release of the *Closing and Reassignment Public Notice*.⁶⁴ The Media Bureau will review the estimates based on the Catalog of Eligible Expenses.⁶⁵

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a channel sharing arrangement will be eligible for reimbursement only if they are reassigned to a new channel in the repacking process. The Commission will also reimburse any station formerly on channel 51 that must relocate again because its new channel is reassigned in the repacking process, even if it previously relocated from channel 51 pursuant to a private agreement. *Incentive Auction R&O*, 29 FCC Rcd at 6813, para. 601.

⁶¹ See 47 U.S.C. §§ 309(j)(8)(G)(iii)(I)-(II), 1452(b)(4)(D), (d). The forward auction will be "complete" when a public notice (i.e., the *Closing and Reassignment Public Notice*) announces that the auction has ended. *Incentive Auction R&O*, 29 FCC Rcd at 6816, para. 608; see also 47 CFR § 1.2208.

⁶² 31 U.S.C. § 3711(g). See also generally 31 U.S.C. § 3701 *et seq.*

⁶³ The amount offset will include accrued interest, penalties, and collection costs incurred by the creditor agency(ies) and an additional surcharge assessed by the U.S. Treasury to cover its collection costs. See 31 U.S.C. §§ 3716, 3717.

⁶⁴ *Incentive Auction R&O*, 29 FCC Rcd at 6817, para. 610. Broadcasters with reassigned stations will provide an estimate of the costs they expect to reasonably incur to change channels, and MVPDs will estimate the costs they expect to reasonably incur to accommodate new channel assignments. *Id.* at 6817-18, para. 611.

⁶⁵ *Id.* at 6815-16, para. 607; see *Media Bureau Finalizes Reimbursement Form for Submission to OMB and Adopts Catalog of Expenses*, Public Notice, 30 FCC Rcd 11701 (MB 2015) (*Reimbursement Public Notice*); *Incentive Auction Task Force and Media Bureau Finalize Catalog of Reimbursement Expenses*, Public Notice, DA 17-154

(continued....)

1. Allocations

63. After reviewing cost estimates, the Media Bureau will make an initial allocation from the Fund across all Eligible Entities.⁶⁶ The initial allocation for each Eligible Entity will be based on a percentage of its estimated costs, with the initial allocation for commercial stations and MVPDs accounting for up to 80 percent of their estimated costs and the initial allocation for non-commercial stations accounting for up to 90 percent of their estimated costs.⁶⁷ The Media Bureau will release a public notice announcing the percentage of cost estimates allocated for each of the three categories of reimbursable entities: MVPDs, commercial stations, and non-commercial stations.⁶⁸ An Eligible Entity will be able to “draw down” against the allocation amount as it incurs reimbursable expenses.⁶⁹ Each Eligible Entity will be able to see the specific amount allocated to its Facility ID (for reassigned stations) or File Number (for MVPDs) by logging in to the CORES Incentive Auction Financial Module and navigating to the Auction Payments component.

64. The Media Bureau will announce one or more additional allocations.⁷⁰ Throughout the Reimbursement Period, Eligible Entities are required to update their cost estimates if their plans for purchasing reimbursable equipment or services change.⁷¹ Accordingly, subsequent allocations may be based on revised cost estimates. An Eligible Entity must submit information on the Reimbursement Form each time it makes a request for reimbursement from the Fund, not only at the beginning and end of the Reimbursement Period.⁷²

65. Prior to the end of the three-year Reimbursement Period, Eligible Entities will provide information regarding their actual and remaining estimated costs and will be issued a final allocation, if

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(MB Feb. 9, 2017). The Catalog provides guidance regarding the kinds and amounts of expenses that will be reimbursed, but “[a]ll claimed expenses are subject to review by the Media Bureau to ensure that each expense is reasonable.” *Incentive Auction R&O*, 29 FCC Rcd at 6821, para. 622. *See also id.* at 6817-18, para. 611; *Reimbursement Public Notice*, 30 FCC Rcd at 11701 (“As the Commission has explained, the catalog of expenses is not intended to be a definitive list of all reimbursable expenses. Rather, it is a means of facilitating the reimbursement process of claiming reimbursement by setting forth categories of expenses that are most likely to be commonly incurred by relocated broadcasters and MVPDs.”).

⁶⁶ *Incentive Auction R&O*, 29 FCC Rcd at 6815-16, 6819, paras. 607, 615.

⁶⁷ *Id.* at 6818-19, para. 614.

⁶⁸ The percentages will depend, in part, on the total amount of repacking expenses reported on the estimated cost forms. *Id.* at 6819, para. 615.

⁶⁹ An FCC Form 2100, Schedule 399 and actual cost documentation showing the entity incurred an expense associated with channel reassignment must accompany every reimbursement request. *See Reimbursement Public Notice*, 30 FCC Rcd at 11704. The issuance of an initial allocation from the Reimbursement Fund based on these estimates does not create an obligation on the part of the Commission to pay the entity’s total estimated or actual relocation costs. *Incentive Auction R&O*, 29 FCC Rcd at 6818, para. 613 n.1729.

⁷⁰ *Incentive Auction R&O*, 29 FCC Rcd at 6819, para. 615.

⁷¹ *Id.* at 6817, para. 610.

⁷² *See Reimbursement Public Notice*, 30 FCC Rcd at 11704. Each time an entity seeks reimbursement for specific costs incurred during construction, it will update its Reimbursement Form by identifying the equipment or service for which it seeks reimbursement and uploading cost documentation, such as an invoice from a vendor. Eligible Entities will have the flexibility to submit each invoice for payment upon receipt from the vendor (submitting the Reimbursement Form and cost documentation each time they incur an expense), or to pay their vendors directly and submit claims in batches. *Id.*

appropriate, to cover the remainder of their eligible costs.⁷³ If an overpayment is discovered after the end of the Reimbursement Period, entities will be required to return the excess to the Commission.⁷⁴

C. Procedure for Providing Eligible Entity's Payment Instructions to the Commission

66. To facilitate the disbursement of reimbursement payments, Eligible Entities must submit payment instructions to the Commission. Once it has created its FCC Username Account in the FCC User Registration System and associated it with the Eligible Entity's FRN in the updated CORES as described above, an Eligible Entity must submit payment instructions for each reassigned station (i.e., Facility ID) or MVPD (i.e., File Number) for which it anticipates receiving a reimbursement payment through a two-step process to reduce the risk of error or fraud. First, as discussed in detail below, an Eligible Entity must submit a signed and notarized FCC Form 1876, along with a bank account verification letter or redacted bank statement that confirms ownership of the bank account, for each Facility ID/File Number receiving a reimbursement payment. After determining that all of the required information has been provided in the FCC Form 1876, FCC staff will grant the Eligible Entity access to the CORES Incentive Auction Financial Module. Next, the Eligible Entity must enter bank account information for the reimbursement payment recipient in the CORES Incentive Auction Financial Module. FCC staff will review the information submitted electronically in the CORES Incentive Auction Financial Module to confirm that it matches the bank account information submitted in the signed and notarized FCC Form 1876. FCC staff will contact the Eligible Entity to resolve any discrepancies between information received in the FCC Form 1876 and in the CORES Incentive Auction Financial Module and will instruct the Eligible Entity how to submit updated payment instructions.⁷⁵ No reimbursement payment will be made if the bank account information in the CORES Incentive Auction Financial Module does not match the bank account information in the FCC Form 1876.

67. Each Eligible Entity bears full responsibility for submitting accurate, complete, and timely bank account information for each of its Facility IDs/File Numbers receiving a reimbursement payment. Each Eligible Entity must make certifications under penalty of perjury on its FCC Form 1876 relating to the information provided in the form, and must confirm that it is in compliance with all applicable statutes, regulations, rules and instructions entitling it, or relating, to reimbursement payments.

68. The submission of an FCC Form 1876 (and any amendments thereto) constitutes a representation by the individual certifying the form that he or she is authorized to do so on behalf of the Eligible Entity, that he or she has read the form's instructions and certifications, and that the contents of the form, its certifications, and its attachments are true, accurate and complete. Submission of any false claims, statements or documents, or concealment of a material fact may be prosecuted under applicable Federal law and/or result in civil action.

69. When filling out an FCC Form 1876 and entering bank account information electronically in the CORES Incentive Auction Financial Module, an Eligible Entity should follow the instructions in this Public Notice, the forthcoming CORES Incentive Auction Financial Module User Manual, and any related Commission releases. An Eligible Entity should be fully familiar with other public notices and/or decisions that have been issued in this proceeding, any future public notices and/or decisions that may be issued in this proceeding, and any other relevant public notices and/or decisions the

⁷³ *Incentive Auction R&O*, 29 FCC Rcd at 6815-16, para. 607.

⁷⁴ *Id.*

⁷⁵ Specifically, FCC staff will notify the contact person listed in an Eligible Entity's FCC Form 1876 that: (1) there was a discrepancy between the information in the FCC Form 1876 and in the CORES Incentive Auction Financial Module; and (2) the FCC is contacting the Authorized Agent(s) for corrective actions.

Commission issued in other proceedings that may relate to the incentive auction. Additional guidance, data, and information related to the post-auction transition will be available at www.fcc.gov/incentiveauctions. Additionally, copies of these and other relevant documents are available at the FCC's headquarters located at 445 12th Street, SW, Washington, DC 20554 during normal business hours. On March 13, 2017, the Task Force, in conjunction with the Media Bureau, hosted a public workshop to review procedures related to the post-auction broadcast transition. A recording of the workshop is accessible from www.fcc.gov/incentiveauctions and can also be accessed directly at www.fcc.gov/news-events/events/2017/03/post-incentive-auction-transition-workshop.

1. FCC Form 1876

70. The Eligible Entity payment instructions form is FCC Form 1876. Submitting an FCC Form 1876 is the first of two steps in the Commission's process to gather bank account information to facilitate the disbursement of reimbursement payments. **An Eligible Entity must complete and submit a separate original hard-copy signed and notarized FCC Form 1876 for each reassigned station and for each MVPD that incurs reimbursable costs.**

71. The FCC Form 1876 will be available electronically via the CORES Incentive Auction Financial Module. Specifically, CORES FRN Administrators for Eligible Entities will be able to download the FCC Form 1876 from the CORES Incentive Auction Financial Module by selecting "Download Form 1876" from the *Manage Existing FRN(s): Choose Action* screen. It is an Eligible Entity's CORES FRN Administrator's responsibility to deliver the FCC Form 1876 to the appropriate person for completion.

72. It may take more than four weeks from the submission of the FCC Form 1876 until bank account information is validated in the CORES Incentive Auction Financial Module and payments can be disbursed to the specified bank account. We encourage reassigned stations that incur reimbursable relocation costs to complete and submit their FCC Form 1876 with enough lead time for payments not to be delayed because bank account information has not been properly submitted to the FCC. MVPDs that incur reimbursable costs to accommodate new channel assignments should complete and submit their FCC Form 1876 no sooner than five business days⁷⁶ after submitting their cost estimate using FCC Form 2100, Schedule 399, and with enough lead time for payments not to be delayed because bank account information was not properly submitted to the FCC. Any delay in submission may cause a delay in the disbursement of a reimbursement payment as directed by the Eligible Entity.

73. Once completed, signed, and notarized, the original hard-copy FCC Form 1876 must be sent to:⁷⁷

Federal Communications Commission
Travel & Operations Group, Attn: Chief of TOG
9300 East Hampton Drive
Capitol Heights, MD 20743

⁷⁶ The FCC cannot determine which MVPDs will incur reimbursable costs until after they submit a cost estimate using FCC Form 2100, Schedule 399. After an MVPD submits a cost estimate, the FCC will add the MVPD to the list of Payment Applicants and the MVPD may submit its FCC Form 1876.

⁷⁷ We recommend that an Eligible Entity mail its original hard-copy signed and notarized FCC Form 1876 by a trackable delivery method, such as certified U.S. mail or overnight mail, that will allow the Eligible Entity to confirm proof of delivery. A Payment Applicant that anticipates receiving payments in connection with the incentive auction for multiple stations may send more than one FCC Form 1875 and/or 1876 in the same envelope.

74. The FCC Form 1876 requests information used to facilitate the disbursement of an Eligible Entity's reimbursement payment(s). Specifically, an Eligible Entity must provide information concerning the following for each reassigned station/MVPD for which it anticipates receiving a reimbursement payment: (1) Eligible Entity Information, (2) Financial Institution Information for Automated Clearing House (ACH) Payment, and (3) Certifications and Notarized Signature by Eligible Entity.

75. In the *Eligible Entity Information* section of FCC Form 1876, an Eligible Entity will provide basic information about itself, including its name,⁷⁸ its FCC Registration Number (FRN), its Tax ID,⁷⁹ its Facility ID (reassigned station) or File Number (MVPD),⁸⁰ as applicable, and contact information for the Eligible Entity.⁸¹ **This section also requires that an Eligible Entity identify one or two individual agents that are authorized to enter bank account information in the CORES Incentive Auction Financial Module on behalf of the Eligible Entity.**⁸² As discussed below, to reduce the risk of fraud, no more than two FCC Username Accounts per Facility ID/File Number will be authorized to enter and/or modify bank account information in the CORES Incentive Auction Financial Module.⁸³

76. In the *Financial Institution Information for Automated Clearing House (ACH) Payment* section of FCC Form 1876, the Eligible Entity will provide information about the financial institution where the reimbursement payment will be sent, including the name, address, and telephone number of the financial institution, the routing transit number, depositor account title,⁸⁴ account number, and type of account (i.e., checking or savings). This section of the form also instructs the Eligible Entity to attach to the form one of the following to confirm that the bank account listed in the FCC Form 1876 belongs to the reimbursement payment recipient: (1) a letter from the bank;⁸⁵ or (2) a redacted bank statement that confirms ownership of the bank account.

⁷⁸ The FCC Form 1876 requires an Eligible Entity to provide its name as listed in: (1) LMS; and, if different, (2) in CORES.

⁷⁹ This must match the Eligible Entity's Tax ID associated with its FRN in the updated CORES. To reduce the risk of delayed payments, we recommend that each Eligible Entity review its records and confirm that the Tax ID entered in the FCC Form 1876 is the Tax ID associated with its FRN in the updated CORES.

⁸⁰ The MVPD File Number is the file number assigned by the MVPD Dashboard to the MVPD's FCC Form 2100, Schedule 399 for which reimbursement from the Fund is being sought.

⁸¹ Please note that the contact information requested in the FCC Form 1876 is solely for purposes of facilitating an Eligible Entity's reimbursement payment. The contact person listed in the FCC Form 1876 may be different than the contact listed in other FCC forms or databases, such as CORES, LMS, CDBS, etc.

⁸² Due to the length of the Reimbursement Period, we encourage Eligible Entities to select two Authorized Agents to ensure continuity.

⁸³ Although only two people per Facility ID/File Number will be able to enter and modify bank account information in the CORES Incentive Auction Financial Module, a CORES FRN Administrator may grant access to additional individuals to view limited bank account and payment information in the CORES Incentive Auction Financial Module. Those additional individuals will not, however, be able to enter or modify the bank account information for a reassigned station/MVPD.

⁸⁴ This is the name of the account holder exactly as it appears in the bank records.

⁸⁵ This is a routine process for banks to verify ownership of a bank account. A sample bank letter will be attached to the FCC Form 1876.

77. In the *Certifications and Notarized Signature by Eligible Entity* section of FCC Form 1876, the Eligible Entity must make certifications concerning the reimbursement payment.⁸⁶ As stated in the form, by signing this section of the form, the Eligible Entity:

- Agrees to indemnify and hold harmless the United States, the Commission, and any disbursing officer, from any and all liability arising from the disbursement of reimbursement payments pursuant to these payment instructions;
- Acknowledges and agrees that reimbursement payments pursuant to these payment instructions may be subject to offset pursuant to applicable law for debts (owed to the Commission including its reporting components or the United States) by the Eligible Entity;
- Acknowledges and agrees that reimbursement payments will not be made to (or for the benefit of) any Eligible Entity or other payee appearing on the U.S. Treasury's "Do Not Pay" portal;
- Acknowledges that any person who knowingly submits these payment instructions containing any misrepresentation or any false, incomplete or misleading information may be guilty of a criminal act and may be subject to criminal penalties;
- Certifies that it is in compliance with all applicable statutes, regulations, rules and instructions entitling it, or relating, to reimbursement payments; and
- Certifies that all information contained in the form is true, accurate and complete and understands that the reimbursement payment will be made from Federal funds and that any false claims, statements or documents, or concealment of a material fact may be prosecuted under applicable Federal law and/or result in civil action.

78. A person with the authority to bind the Eligible Entity (e.g., corporate officer or owner) must sign the Eligible Entity certifications and a notary public must acknowledge the signature. To prevent fraudulent changes to the payment instructions, in the event that changes are made to any of the information in the FCC Form 1876 after it has been submitted to the Commission, the person originally certifying the FCC Form 1876 will have to certify the changes as well. Should the need to change the certifier arise for any reason, the Eligible Entity must e-mail FO-REPinvoices@fcc.gov for further instructions. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution.

2. CORES Incentive Auction Financial Module

79. Entering bank account information electronically in the CORES Incentive Auction Financial Module is the second step in the Commission's process to gather information to facilitate the disbursement of reimbursement payments. To reduce the risk of fraud, FCC staff will review the information entered in the CORES Incentive Auction Financial Module for a reassigned station or MVPD that incurs reimbursable costs to confirm that it matches the information provided in the signed and notarized FCC Form 1876 for that reassigned station or MVPD, respectively. FCC staff will contact the Eligible Entity if there is a discrepancy between the information entered in the FCC Form 1876 and the information entered into the CORES Incentive Auction Financial Module.⁸⁷ The CORES Incentive

⁸⁶ See *Incentive Auction R&O*, 29 FCC Rcd at 6818, para. 612.

⁸⁷ Specifically, FCC staff will notify the contact person listed in an Eligible Entity's FCC Form 1876 that: (1) there was a discrepancy between the information in the FCC Form 1876 and in the CORES Incentive Auction Financial Module; and (2) the FCC is contacting the Authorized Agent(s) for corrective actions.

Auction Financial Module will also provide information about reimbursement payments for a particular reassigned station or MVPD.

a. Minimum Software Requirements

80. A representative for an Eligible Entity must complete and submit bank account information electronically for each reassigned station or MVPD for which it expects to receive a reimbursement payment using a personal computer or equivalent device. At the minimum, the following is required to access the CORES Incentive Auction Financial Module:

- Microsoft® Windows® 7
- Microsoft® Internet Explorer® 8 or higher; Google Chrome™ 2.0 or higher; Firefox 3.0 or higher version
- The browser must be configured to accept cookies and JavaScript with a minimum of TLS 1.1 security
- Access to the internet
- 1600 x 900 screen resolution or higher.

81. Smartphones and tablets are not supported. The CORES Incentive Auction Financial Module may run on different computer configurations, including browsers not listed above. It is the responsibility of the user to test any alternative configurations with the CORES Incentive Auction Financial Module in advance of submitting payment instructions and to ensure that they have access to one of the supported browsers should they experience problems.

82. Users are discouraged from using web browsers containing third-party toolbars or other extensions. Third-party browser extensions may potentially cause problems for users of interactive websites, including the CORES Incentive Auction Financial Module, and may make users' computers more vulnerable to hacker attacks. If in doubt, users should consult their internal information technology departments in order to disable third-party browser extensions or, if necessary, obtain a clean installation of a supported web browser.

83. To maximize protection against potential security vulnerabilities, users are advised to ensure the latest service pack (if applicable), security patches for their operating system (including Internet Explorer), and the most recent version of Google Chrome (where relevant), have been installed.

b. Accessing the CORES Incentive Auction Financial Module

84. Access to the CORES Incentive Auction Financial Module will be enabled at the station/MVPD level via Facility ID/File Number. As explained above, in order for an FCC Username Account to be granted access to the CORES Incentive Auction Financial Module, the user must first associate its FCC Username Account with an Eligible Entity's FRN.

85. The CORES Incentive Auction Financial Module has three components: (1) Auction Bank Accounts where bank account information is entered and viewed; (2) Auction Payments where FCC Username Accounts can view payment details for Payment Applicants; and (3) Manage View Permissions where the CORES FRN Administrator can manage and see who has permission to view limited bank account information and payment details.

86. Within the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, up to two points of contact (Authorized Agents) per Facility ID/File Number will be

granted access to enter bank account information. As discussed above, an Eligible Entity will identify its Authorized Agent(s) in its FCC Form 1876.⁸⁸ Once the Authorized Agent(s) submit bank account information for a Facility ID/File Number in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, the bank account entry will be locked and the Authorized Agent(s) will no longer be able to edit it. While the FCC is reviewing bank account information, the Authorized Agent(s) will not be able to view any of the banking information. The Authorized Agent(s) will, however, be able to view limited bank account information for the Facility ID/File Number (i.e., account holder name, bank name, and the last four digits of the account number) once the banking information has been validated by the FCC. As discussed in more detail below,⁸⁹ if an Eligible Entity needs to change its payment instructions for a particular Facility ID/File Number, the Eligible Entity's contact listed in the FCC Form 1876 or one of its Authorized Agents must notify Commission staff of the need for a change by sending an e-mail to FO-REPinvoices@fcc.gov. After contacting the FCC, the Eligible Entity will be required to submit an updated signed and notarized FCC Form 1876, along with a new bank account verification letter or redacted bank statement that confirms ownership of the bank account, if applicable.⁹⁰ FCC staff will review the updated FCC Form 1876 and grant the Authorized Agent(s) access to enter the bank account information for the Facility ID/File Number in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

87. Although no more than two people per Facility ID/File Number will have the ability to enter bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, an Eligible Entity's CORES FRN Administrator may grant to FCC Username Accounts associated with the Eligible Entity's FRN limited access to view the bank name and the last four digits of the account number entered for a Facility ID/File Number.⁹¹ The CORES FRN Administrator also may grant to FCC Username Accounts associated with the Eligible Entity's FRN access to view the payment information for a Facility ID/File Number. The CORES FRN Administrator will grant these "view only" permissions in the Manage View Permissions component of the CORES Incentive Auction Financial Module. **Note that an FCC Username Account in the updated CORES Incentive Auction Financial Module unless the user was identified as an Authorized Agent in the FCC Form 1876, is a CORES FRN Administrator, or has "view only" access granted by the Eligible Entity's CORES FRN Administrator.**

88. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how a CORES FRN Administrator may assign or remove "view only" permissions from FCC Username Accounts associated with an Eligible Entity's FRN for one or more Facility IDs/File Numbers.

⁸⁸ See Section III.C.1 (FCC Form 1876).

⁸⁹ See Section III.D (Updating Bank Account Information).

⁹⁰ An Eligible Entity will need to submit a new bank account verification letter or redacted bank statement if any of the bank account information (e.g., depositor account title, bank name, account type, account number, or routing number) in the updated FCC Form 1876 conflicts with the information in the verification letter or redacted bank statement provided with the previously submitted FCC Form 1876.

⁹¹ An Authorized Agent will not have the ability to grant other FCC Username Accounts associated with an Eligible Entity's FRN "view only" access to the CORES Incentive Auction Financial Module unless the Authorized Agent is also the CORES FRN Administrator.

c. Entering Bank Account Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts Component

89. As discussed above, an Eligible Entity will identify up to two Authorized Agents in its FCC Form 1876 that may enter bank account information for a particular Facility ID/File Number in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. After FCC staff reviews a completed, signed, and notarized FCC Form 1876, an e-mail notification will be sent to the contact listed in the FCC Form 1876 and each Authorized Agent explaining that the Authorized Agent(s) received access to enter bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. The Authorized Agent(s) will have 10 business days from the date of that notification e-mail to enter and submit bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module for that Facility ID/File Number. As detailed further below, once the Authorized Agent(s) submit the information, it cannot be changed. If the Authorized Agent(s) fail to enter and submit bank account information within 10 business days of the date of the notification email, the system will lock the blank bank account entry for that Facility ID/File Number, and the Authorized Agent(s) will no longer be able to enter any bank account information. In order to unlock the bank account entry and restore its Authorized Agent(s)' editing abilities, an Eligible Entity must contact the FCC User Registration System and CORES Help Desk at (202) 418-4120 or CORESHelpDesk@fcc.gov.⁹²

90. An Eligible Entity, via its Authorized Agent(s), must enter in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module the following bank account information for each Facility ID/File Number for which it expects to receive a payment in connection with the incentive auction: account holder name (same as depositor account title on FCC Form 1876), bank name, account type, routing number, and account number. The information that an Authorized Agent enters electronically in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module must match the information provided in the FCC Form 1876 submitted for a Facility ID/File Number for the FCC to validate the account information and accept it into the FCC's financial system. Otherwise FCC Financial Operations will not release a request to the U.S. Treasury to disburse an incentive payment for that Facility ID/File Number.

91. The Auction Bank Accounts component of the CORES Incentive Auction Financial Module was designed to allow a Payment Applicant that has more than one station/MVPD for which it expects to receive a payment in connection with the incentive auction (i.e., an incentive payment or a reimbursement payment) to enter bank account information for multiple Facility IDs/File Numbers sharing an FRN at one time if the payments will be disbursed to the same bank account.⁹³ In order to use this feature, a Payment Applicant must assign the same individual(s) as the Authorized Agent(s) for each station/MVPD that will receive a payment to the same bank account.

92. After the Authorized Agent submits the required bank account information, the data will be sent to FCC Financial Operations for validation. **At this point, the bank account entry is locked and the Authorized Agent(s) will not be able to make any changes to it in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. While FCC staff reviews bank account information, the Authorized Agent will not be able to view any of the banking information. Once the banking information has been validated by FCC staff, the Authorized Agent will only be**

⁹² See Section III.D (Updating Bank Account Information).

⁹³ It also is possible that a Payment Applicant may have stations with winning bids and reassigned stations that share an FRN. Note that different forms are required for winning bidder incentive payments (FCC Form 1875) and reimbursement payments (FCC Form 1876).

able to view limited bank account information including the account holder name, bank name, and last four digits of the account number but will still not be able to make any changes to this information. As a result, the Authorized Agent(s) must carefully review the bank account information on the *Review Bank Account for Facility IDs/File Numbers* screen before clicking **SUBMIT**. If any changes are required after the bank account information has been submitted, an Eligible Entity must follow the process for updating bank account information discussed below.⁹⁴ After clicking **SUBMIT**, the Authorized Agent will see the *Bank Account Entry Confirmation* screen that lists the FRN and associated Facility IDs/File Numbers for which the Authorized Agent submitted bank account information. This screen also reminds the Authorized Agent that the bank account entry has been locked for those Facility IDs/File Numbers.

93. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how an Authorized Agent may enter bank account information into the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

d. Viewing Bank Account Information and Payment Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts and Auction Payments Components

94. *Viewing Bank Account Information.* In the Auction Bank Accounts component of the CORES Incentive Auction Financial Module, the CORES FRN Administrator, Authorized Agent(s), and any FCC Username Account that has been granted permission to view bank account information for a particular Facility ID/File Number, will be able to see the status of the Facility ID's/File Number's bank account entry. The statuses include: pending access (Authorized Agent waiting for permission to enter bank account information); unsubmitted (Authorized Agent must enter/update bank account information in the CORES Incentive Auction Financial Module); in FCC review (FCC reviewing bank account information); and validated (FCC reviewed and approved paper form and electronic submission).

95. Once FCC staff has validated the bank account information for a particular Facility ID/File Number and accepted it into the FCC's financial system, the CORES FRN Administrator and any FCC Username Account that has been granted permission to view bank account information for the Facility ID/File Number will see the bank name and last four digits of the account number designated for the Facility ID/File Number.⁹⁵ The Authorized Agent will be restricted to viewing the same limited bank account information, with the exception that it will also be able to see the account holder name.

96. *Viewing Payment Information.* In the Auction Payments component of the CORES Incentive Auction Financial Module, the CORES FRN Administrator, the Authorized Agent(s), and any FCC Username Account that has been granted permission to view payment information for a Facility ID/File Number, will be able to view the amount allocated to the Facility ID/File Number, cumulative payment request(s) released to the U.S. Treasury,⁹⁶ and any allocation amount remaining. Each time the FCC requests that the U.S. Treasury disburse a payment, the information will be updated to include the

⁹⁴ See Section III.D (Updating Bank Account Information).

⁹⁵ A CORES FRN Administrator will see limited bank account information for each station associated with the Eligible Entity's FRN that will receive a payment in connection with the incentive auction (i.e., an incentive payment or a reimbursement payment).

⁹⁶ This is the amount of money that the Commission requests for the U.S. Treasury to disburse to the Eligible Entity. The Auction Payments component of the CORES Incentive Auction Financial Module cannot report information regarding any offsets made by the U.S. Treasury prior to disbursement. See Section III.E.2 (Tracking Reimbursement Payments).

399 file number, reference code, the U.S. Treasury scheduled disbursement date,⁹⁷ and the amount that the FCC requested be disbursed with respect to the Facility ID/File Number. In addition, the *Facility ID/File Number Payment Line Details* screen provides the following additional payment line details for a particular reference code: invoice date, invoice due date, line item description, cost description, and cost amount.⁹⁸

97. The forthcoming CORES Incentive Auction Financial Module User Manual will provide detailed instructions on how an FCC Username Account with the applicable permissions may view bank account information and/or payment information in the Auction Bank Accounts and Auction Payments components of the CORES Incentive Auction Financial Module.

D. Updating Bank Account Information

98. An Eligible Entity may make changes to its payment instructions for a particular Facility ID/File Number up until the end of the Reimbursement Period. If an Eligible Entity needs to change its payment instructions (e.g., change bank account information or change the Authorized Agent(s)), the Eligible Entity's contact listed in its FCC Form 1876 or one of its Authorized Agents must request a freeze on unprocessed payments⁹⁹ by sending an e-mail to FO-REPinvoices@fcc.gov requesting that the Commission freeze payments and notifying the Commission of the change. An e-mail notification will be sent to the contact listed in the FCC Form 1876 and the Authorized Agent(s) if the Commission freezes an Eligible Entity's bank account designated for an unprocessed reimbursement payment request. An Eligible Entity may not make changes to its payment instructions once a reimbursement payment is in process at the U.S. Treasury.

99. An Eligible Entity does not need to request a payment freeze for a particular Facility ID/File Number if the contact listed in the *Eligible Entity Information* section of the FCC Form 1876 is changed; however, if one of the Authorized Agents changes, a new FCC Form 1876 must be submitted and FCC staff will re-check the CORES Incentive Auction Financial Module banking record to confirm that the bank account information entered into the Auction Bank Accounts component matches the information in the FCC Form 1876 for that Facility ID/File Number.

100. Changes to bank account information for an Eligible Entity will only be initiated through direction of an updated signed and notarized FCC Form 1876.¹⁰⁰ After FCC staff reviews the updated signed and notarized FCC Form 1876, an e-mail notification will be sent to the contact listed in the FCC Form 1876 and the Authorized Agent(s) notifying them of the Authorized Agent(s)' access to enter bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module. The Authorized Agent(s) will have 10 business days from receipt of that notification e-mail to enter the bank account information in the Auction Bank Accounts component of the CORES

⁹⁷ The U.S. Treasury scheduled disbursement date is the date that the FCC's certifying officer approves disbursement by the U.S. Treasury. Depending on the Payment Applicant's bank, we expect that funds should be available within two business days of the U.S. Treasury scheduled disbursement date.

⁹⁸ This screen also lists the 399 file number and reference code.

⁹⁹ A payment has been "processed" or is "in process" if the Commission has sent a request to the U.S. Treasury to disburse the payment.

¹⁰⁰ As discussed above, to reduce the risk of fraudulent changes in payment instructions, the person who originally certified the FCC Form 1876 must certify the changes as well. Should the need to change the certifier arise for any reason, the Eligible Entity must e-mail FO-REPinvoices@fcc.gov for further instructions. See Section III.C.1 (FCC Form 1876).

Incentive Auction Financial Module.¹⁰¹ An e-mail notification will be sent to the contact listed in the FCC Form 1876 and the Authorized Agent(s) whenever any change is made to the bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module.

101. After FCC staff has confirmed that the updated bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module matches with the bank account information in the updated signed and notarized FCC Form 1876, the payment freeze will be lifted. An e-mail notification will be sent to the contact listed in the FCC Form 1876 and the Authorized Agent(s) when the payment freeze is lifted.

E. Processing Reimbursement Forms and Payments

1. Timing

102. The Spectrum Act requires that the Commission make all required reimbursements no later than three years after completion of the forward auction (i.e., during the Reimbursement Period). The forward auction will be “complete” when a public notice (i.e., the *Closing and Reassignment Public Notice*) announces that the auction has ended.¹⁰² Therefore, the Commission will not issue any reimbursement payments before completion of the forward auction.¹⁰³

2. Tracking Reimbursement Payments

103. The Commission does not control the precise date on which the U.S. Treasury makes each reimbursement payment or when each reimbursement payment is received in the account identified by the Eligible Entity or becomes available to the account holder. After a payment is in fact made, the Auction Payments component of the CORES Incentive Auction Financial Module separately will report the U.S. Treasury scheduled disbursement date for the payment being made. That date is provided for purposes of tracking payments. As discussed above, the Auction Payments component of the CORES Incentive Auction Financial Module will also show the 399 file number, reference code, and the amount that the FCC requested be disbursed with respect to the Facility ID/File Number.¹⁰⁴

104. The U.S. Treasury has authority to offset federal payments, including reimbursement payments, based on information not available to the Commission.¹⁰⁵ Consequently, the Auction Payments component of the CORES Incentive Auction Financial Module cannot report information regarding any such offsets. An Eligible Entity needing information regarding any discrepancy between its approved reimbursement payment and the amount it actually received must seek the information directly from the U.S. Treasury by calling 1-800-304-3107.¹⁰⁶

¹⁰¹ Note that if the bank account entry is unlocked because an Eligible Entity has submitted a new FCC Form 1876, all of the fields in the bank account entry will be blank and the Authorized Agent(s) will need to enter all of the required information.

¹⁰² *Incentive Auction R&O*, 29 FCC Rcd at 6816, para. 608; *see also* 47 CFR § 1.2208.

¹⁰³ *Incentive Auction R&O*, 29 FCC Rcd at 6816, para. 608; 47 U.S.C. § 1452(d)(3)(A). *See also* 47 U.S.C. § 1452(f)(2) (“no reassignments or reallocations under subsection (b)(1)(B) shall become effective until the completion of the reverse auction . . . and the forward auction”).

¹⁰⁴ *See* Section III.C.2.d (Viewing Bank Account Information and Payment Information in the CORES Incentive Auction Financial Module—Auction Bank Accounts and Auction Payments Components).

¹⁰⁵ *See generally* 31 U.S.C. § 3701 *et seq.*

¹⁰⁶ Hearing impaired callers may use the Federal Relay Service by dialing 1-800-877-8339 to reach a communications assistant who will dial the toll free number.

3. Effects of Ownership Changes

105. Given that the Commission will be processing reimbursement payments for several years after the release of the *Closing and Reassignment Public Notice*, a licensee may assign or transfer a reassigned station before it has received all of its reimbursement allotment. If any reassigned station is the subject of a transaction (i.e., assignment or transfer of control) that is consummated after the release of the *Closing and Reassignment Public Notice* and results in a new FRN for that station (i.e., results in a new FRN-Facility ID relationship), FCC staff will deactivate the bank account information associated with the station's pre-consummation FRN, and will hold the station's in-process reimbursement payment(s), if any, upon acceptance of the consummation.¹⁰⁷ To facilitate future reimbursement payments, the assignee must file a new reimbursement request and timely submit a new FCC Form 1876, along with a bank account verification letter or redacted bank statement that confirms ownership of the bank account. Any delay in submission of a new FCC Form 1876 may cause a delay in the disbursement of a reimbursement payment as directed by the assignee.

106. The assignee, via its Authorized Agent(s), also must submit bank account information in the Auction Bank Accounts component of the CORES Incentive Auction Financial Module even if the bank account information has not changed as a result of the ownership change. None of the station's payment information associated with the pre-consummation FRN will transfer over to the station's post-consummation FRN in the Auction Payments component of the CORES Incentive Auction Financial Module. Any pre-consummation payment information will, however, remain available to any authorized users¹⁰⁸ via the pre-consummation FRN account. Therefore, the assignor and assignee should address in any transaction agreement the responsibilities and expectations of each party with respect to reimbursement payments, use of the FRN accounts related to the transferred or assigned station(s), and any related matters.

107. As stated above, reimbursement payments will be disbursed only to an Eligible Entity—reimbursement payments will not be disbursed to third parties.¹⁰⁹ **As a result, once the assignment or transfer of a reassigned station has been consummated, reimbursement payments will only be disbursed to the assignee or transferee.** Because an assignment or transfer of control application could be granted and the parties could consummate the transaction while a reimbursement request is pending, we strongly encourage licensees of reassigned stations to account for this possibility in their transaction agreements and to consider the status of pending reimbursement requests when deciding to consummate a transaction. Failure to do so may result in a delay in grant of the assignment or transfer of control application and/or delay the Commission's reimbursement process.

108. Prior to granting and/or accepting consummation of a post-auction transaction involving one or more reassigned stations, the Media Bureau will provide additional procedural guidance to the parties involved in the transaction.

¹⁰⁷ We note that once a reimbursement payment has been processed (i.e., submitted to the U.S. Treasury for disbursement) a freeze will not preclude transmittal of the processed payment.

¹⁰⁸ Authorized users include the CORES Administrator and Authorized Agent(s) for the pre-consummation FRN, as well as any FCC Username Account that has been associated with the pre-consummation FRN and has been granted "view only" rights with respect to reimbursement payment information. Note that the CORES FRN Administrator can grant and remove "view only" rights at any time.

¹⁰⁹ See Section III.A (Background).

IV. ADDITIONAL INFORMATION

109. For general auction questions, contact Linda Sanderson, Linda.Sanderson@fcc.gov, (717) 338-2868. For reverse auction incentive payment questions, contact Erik Salovaara, Erik.Salovaara@fcc.gov, (202) 418-0660, or Kathryn Hinton, Kathryn.Hinton@fcc.gov, (202) 418-0660. For reimbursement questions, contact Pam Gallant, Pamela.Gallant@fcc.gov, (202) 418-0614. Press contact: Charles Meisch, Charles.Meisch@fcc.gov, (202) 418-2943. For FCC User Registration-related questions, contact the FCC User Registration System and CORES Help Desk, CORESHelpDesk@fcc.gov, (202) 418-4120. Additional information for reverse auction applicants is available at the Auction 1001 website (www.fcc.gov/auctions/1001).

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